

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To the Shareholders of ITV Public Company Limited

I have reviewed the accompanying consolidated and company balance sheets as at 30 June 2003 and the related consolidated and company statements of income for the three-month and six-month periods ended 30 June 2003, and the related consolidated and company statements of changes in shareholders' equity and cash flows for the six-month period ended 30 June 2003 and the related company statements of income for the three-month and six-month periods ended 30 June 2002, and the related company statements changes in shareholders' equity and cash flows for the six-month period ended 30 June 2002 of ITV Public Company Limited and its subsidiaries and of ITV Public Company Limited, respectively. These financial statements are the responsibility of the Company's management. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the standard on auditing applicable to review engagements. This standard requires that I plan and perform a review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit, and accordingly, I do not express an audit opinion.

Based on my reviews, nothing has come to my attention that causes me to believe that the interim financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have audited the consolidated and company financial statements for the year ended 31 December 2002 of ITV Public Company Limited and its subsidiary and of ITV Public Company Limited in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements in my report dated 21 February 2003. The consolidated and company balance sheets as at 31 December 2002, presented for comparative purposes, are part of the financial statements which I have audited and issued a report thereon as stated above, and I have not performed any other auditing procedures subsequent to the date of that report.

PRASIT YUENGSRIKUL
Certified Public Accountant
(Thailand) No. 4174
PricewaterhouseCoopers ABAS Limited

Bangkok
4 August 2003

ITV Public Company Limited

Balance Sheets

As at 30 June 2003 and 31 December 2002

		Consolidated		Company	
		30 June 2003 Unaudited Baht'000	31 December 2002 Audited Baht'000	30 June 2003 Unaudited Baht'000	31 December 2002 Audited Baht'000
ASSETS					
Current assets					
Cash and cash equivalents		182,965	313,185	179,448	312,203
Trade accounts receivable, net	6	409,250	383,495	410,534	383,495
Advance and loan to related parties	13 d)	-	1,399	36,000	2,400
Programming rights and production costs, net	7	92,267	87,364	92,267	87,364
Other current assets	13 e)	86,201	76,920	85,179	75,879
Total current assets		<u>770,683</u>	<u>862,363</u>	<u>803,428</u>	<u>861,341</u>
Non-current assets					
Investment in a subsidiary	8	-	-	16,495	984
Equipment, net	9	143,882	10,119	97,177	10,119
Concession assets, net	9	2,368,984	2,410,310	2,368,984	2,410,310
Other assets	13 f)	18,663	26,182	18,663	26,182
Total non-current assets		<u>2,531,529</u>	<u>2,446,611</u>	<u>2,501,319</u>	<u>2,447,595</u>
Total assets		<u><u>3,302,212</u></u>	<u><u>3,308,974</u></u>	<u><u>3,304,747</u></u>	<u><u>3,308,936</u></u>

Director _____ Director _____

Date _____

The notes on pages 9 to 20 are an integral part of these interim financial statements.

ITV Public Company Limited
Balance Sheets (continued)
As at 30 June 2003 and 31 December 2002

	Notes	Consolidated		Company	
		30 June 2003 Unaudited Baht'000	31 December 2002 Audited Baht'000	30 June 2003 Unaudited Baht'000	31 December 2002 Audited Baht'000
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank overdrafts	10	-	6,993	-	6,993
Trade accounts payable	11	63,241	79,138	62,336	79,070
Current portion of long - term loan	10	67,719	33,843	67,719	33,843
Concession payable		800,000	400,000	800,000	400,000
Accounts payable - purchase of equipment due within one year		4,747	18,453	4,747	18,453
Accrued expenses	13 g)	139,454	128,524	139,602	128,515
Other current liabilities		25,279	29,210	28,571	29,249
Total current liabilities		1,100,440	696,161	1,102,975	696,123
Non-current liabilities					
Long - term loan	10	766,016	785,056	766,016	785,056
Total non - current liabilities		766,016	785,056	766,016	785,056
Total Liabilities		1,866,456	1,481,217	1,868,991	1,481,179
Shareholders' Equity					
Share capital					
Authorised share capital - ordinary shares	12	6,300,000	6,000,000	6,300,000	6,000,000
Issued and paid - up share capital					
- ordinary shares	12	5,750,000	5,750,000	5,750,000	5,750,000
Deficiency in share capital	12	(176,842)	(176,842)	(176,842)	(176,842)
Accumulated deficit		(4,137,402)	(3,745,401)	(4,137,402)	(3,745,401)
Total Shareholders' Equity		1,435,756	1,827,757	1,435,756	1,827,757
Total Liabilities and Shareholders' Equity		3,302,212	3,308,974	3,304,747	3,308,936

The notes on pages 9 to 20 are an integral part of these interim financial statements.

ITV Public Company Limited
Statements of Income (unaudited)
For the three-month periods ended 30 June 2003 and 2002

	<u>Notes</u>	<u>Consolidated</u>	<u>Company</u>	
		30 June 2003 Baht'000	30 June 2003 Baht'000	30 June 2002 Baht'000
Revenues				
Service income		448,684	447,419	417,497
Other income		655	957	4,401
Total revenues		<u>449,339</u>	<u>448,376</u>	<u>421,898</u>
Expenses				
Cost of services		299,029	296,322	247,449
Concession expenses		200,000	200,000	175,000
Selling and administrative expenses		115,527	115,641	100,852
Directors' remuneration		120	120	120
Share of net results of investment - equity method	8	-	1,630	-
Total expenses		<u>614,676</u>	<u>613,713</u>	<u>523,421</u>
Loss before interest		(165,337)	(165,337)	(101,523)
Interest expenses		<u>13,467</u>	<u>13,467</u>	<u>18,630</u>
Net loss for the period		<u>(178,804)</u>	<u>(178,804)</u>	<u>(120,153)</u>
Basic loss per share				
Net loss for the period (Baht)	5	(0.16)	(0.16)	(0.10)

The notes on pages 9 to 20 are an integral part of these interim financial statements.

ITV Public Company Limited
Statements of Income (unaudited)
For the six-month periods ended 30 June 2003 and 2002

	<u>Notes</u>	<u>Consolidated</u>	<u>Company</u>	
		<u>30 June 2003 Baht'000</u>	<u>30 June 2003 Baht'000</u>	<u>30 June 2002 Baht'000</u>
Revenues				
Service income		820,724	819,459	719,357
Other income		1,598	2,091	5,840
Total revenues		<u>822,322</u>	<u>821,550</u>	<u>725,197</u>
Expenses				
Cost of services		558,425	554,146	466,385
Concession expenses		400,000	400,000	350,000
Selling and administrative expenses		228,388	228,406	175,930
Directors' remuneration		400	400	220
Share of net results of investment - equity method	8	-	3,489	-
Total expenses		<u>1,187,213</u>	<u>1,186,441</u>	<u>992,535</u>
Loss before interest		(364,891)	(364,891)	(267,338)
Interest expenses		<u>27,110</u>	<u>27,110</u>	<u>45,853</u>
Net loss for the period		<u>(392,001)</u>	<u>(392,001)</u>	<u>(313,191)</u>
Basic loss per share				
Net loss for the period (Baht)	5	(0.34)	(0.34)	(0.30)

The notes on pages 9 to 20 are an integral part of these interim financial statements.

ITV Public Company Limited
Statements of Changes in Shareholders' Equity (unaudited)
For the six-month periods ended 30 June 2003 and 2002

	Consolidated			
	Share capital	Premium (Deficiency) in share capital	Accumulated deficit	Total
	Baht'000	Baht'000	Baht'000	Baht'000
Beginning balance at 1 January 2003	5,750,000	(176,842)	(3,745,401)	1,827,757
Net loss	-	-	(392,001)	(392,001)
Ending balance at 30 June 2003	<u>5,750,000</u>	<u>(176,842)</u>	<u>(4,137,402)</u>	<u>1,435,756</u>
	Company			
	Share capital	Premium (Deficiency) in share capital	Accumulated deficit	Total
	Baht'000	Baht'000	Baht'000	Baht'000
Beginning balance at 1 January 2002	4,250,000	(412,496)	(2,975,255)	862,249
Issue of ordinary shares	1,500,000	235,654	-	1,735,654
Net loss	-	-	(313,191)	(313,191)
Ending balance at 30 June 2002	<u>5,750,000</u>	<u>(176,842)</u>	<u>(3,288,446)</u>	<u>2,284,712</u>
Beginning balance at 1 January 2003	5,750,000	(176,842)	(3,745,401)	1,827,757
Net loss	-	-	(392,001)	(392,001)
Ending balance at 30 June 2003	<u>5,750,000</u>	<u>(176,842)</u>	<u>(4,137,402)</u>	<u>1,435,756</u>

The notes on pages 9 to 20 are an integral part of these interim financial statements.

ITV Public Company Limited
Statements of Cash flows (unaudited)
For the six-month periods ended 30 June 2003 and 2002

	Notes	Consolidated	Company	
		30 June 2003 Baht'000	30 June 2003 Baht'000	30 June 2002 Baht'000
Cash flows from operating activities				
Net loss		(392,001)	(392,001)	(313,191)
Adjustments for :				
Amortisation of concession assets	9	113,867	113,867	109,759
Realised/unrealised loss(gain) on foreign exchange rate		175	175	(1,422)
Depreciation	9	11,517	7,550	1,904
Amortisation and allowance for impairment of programming rights and production costs	7	236,465	236,465	193,478
Allowance for doubtful debt accounts		7,921	7,921	3,873
Loss (Gain) from sales of barter assets		6,600	6,600	(173)
Allowance for impairment of long term deposit		7,465	7,465	-
Amortisation of front end fee	10	727	727	-
Share of net result from investment in a subsidiary	8	-	3,489	-
Changes in operating assets and liabilities				
Trade accounts receivable		(39,400)	(40,684)	(208,847)
Advance to related parties		1,399	1,400	-
Other current assets		(10,155)	(10,175)	(14,586)
Other assets		53	53	(733)
Trade accounts payable		(15,669)	(16,358)	(16,314)
Concession payable		400,000	400,000	350,000
Accrued expenses		4,752	4,761	5,810
Other current liabilities		(3,932)	(678)	3,874
Cash generated from operations		329,784	330,577	113,432
Cash flows from investing activities				
Purchases of programming rights and production costs	7	(235,190)	(235,190)	(175,612)
Purchases of concession assets	9	(72,541)	(72,541)	(35,271)
Purchases of equipment	9	(145,280)	(94,608)	(68)
Investment in a subsidiary	8	-	(19,000)	-
Loan to a subsidiary	13d)	-	(35,000)	-
Net cash used in investing activities		(453,011)	(456,339)	(210,951)

The notes on pages 9 to 20 are an integral part of these interim financial statements.

ITV Public Company Limited
Statements of Cash flows (unaudited) (continued)
For the six-month periods ended 30 June 2003 and 2002

	<u>Consolidated</u>		<u>Company</u>	
	<u>30 June</u>	<u>30 June</u>	<u>30 June</u>	<u>30 June</u>
	<u>2003</u>	<u>2003</u>	<u>2002</u>	<u>2002</u>
<u>Note</u>	<u>Baht'000</u>	<u>Baht'000</u>	<u>Baht'000</u>	<u>Baht'000</u>
Cash flows from financing activities				
Proceeds from bank overdrafts and short-term loan from banks	-	-	119,831	
Repayment of bank overdrafts and short-term loan from banks	(6,993)	(6,993)	(842,034)	
Proceeds from increase in share capital	-	-	1,800,000	
Share issued costs	-	-	(64,346)	
Net cash receipts from financing activities	<u>(6,993)</u>	<u>(6,993)</u>	<u>1,013,451</u>	
Net increase (decrease) in cash and cash equivalents	(130,220)	(132,755)	915,932	
Beginning balance	313,185	312,203	36,592	
Ending balance	<u>182,965</u>	<u>179,448</u>	<u>952,524</u>	
Cash and cash equivalents as at 30 June comprise :				
Cash in hand	635	635	664	
Cash at banks	182,330	178,813	71,860	
Short-term investment in financial institutes	-	-	880,000	
Total cash and cash equivalents	<u>182,965</u>	<u>179,448</u>	<u>952,524</u>	
Supplementary information for cash flows :				
Interest paid	27,722	27,722	51,728	
Tax paid	-	-	-	
Non-cash transactions				
Convert accounts payable - purchase of equipment to long - term loan	14,109	14,109	102,987	
Increasing in programming rights and production costs by liabilities	7	6,179	6,179	17,576

The notes on pages 9 to 20 are an integral part of these interim financial statements.

1 General information

The Company has been listed on the Stock Exchange of Thailand since 13 March 2002.

The concession expenses increased because of the annual percentage adjustment following the term in the concession agreement.

2 Accounting policies

These interim consolidated and company financial statements are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued by the Institute of Certified Accountants and Auditors of Thailand and approved under law by the Board of Supervision of Auditing Practice appointed by the Minister of Commerce under the Auditor Act B.E. 2505, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial statements (i.e. balance sheets, statements of income, changes in shareholders' equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission.

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2002.

Costs that incur unevenly during the financial year are recognised as an expense or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

These interim financial statements should be read in conjunction with the 2002 annual financial statements.

3 Segment information

Based on the risks and rewards associated with the Company's business, its organizational structure has determined that the Company operates in one business and geographical reportable segment.

4 Seasonal Revenue

Partial revenue increased in the second quarter as a result of the marketing of the Miss Thailand 2003 Contest activities, Rock Concert and etc.

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (continued)
For the interim period ended 30 June 2003 and 2002

5 Loss per share

Basic loss per share is calculated by dividing the net loss attributable to shareholders by the weighted average number of common shares in issue during the period

	Consolidated		Company	
	30 June 2003	30 June 2003	30 June 2003	30 June 2002
For the three-month period ended				
Net loss attributable to shareholders (Baht'000)	(178,804)	(178,804)	(178,804)	(120,153)
Weighted average number of ordinary shares				
Issued during the period (thousand shares)	1,150,000	1,150,000	1,150,000	1,150,000
Basic and diluted loss per share (Baht)	<u>(0.16)</u>	<u>(0.16)</u>	<u>(0.16)</u>	<u>(0.10)</u>
	Consolidated		Company	
	30 June 2003	30 June 2003	30 June 2003	30 June 2002
For the six-month period ended				
Net loss attributable to shareholders (Baht'000)	(392,001)	(392,001)	(392,001)	(313,191)
Weighted average number of ordinary shares				
Issued during the period (thousand shares)	1,150,000	1,150,000	1,150,000	1,040,608
Basic and diluted loss per share (Baht)	<u>(0.34)</u>	<u>(0.34)</u>	<u>(0.34)</u>	<u>(0.30)</u>

Diluted loss per share for the six-month periods ended 30 June 2003 and 2002 do not include the effect of 66.769 million warrants – ordinary share (30 June 2002 : 50 million warrants – ordinary share) on an as-if-converted method as the effect of its inclusion is anti-dilutive.

As at 30 June 2003 and 2002, there were no other dilutive potential common shares in the issue.

6 Trade accounts receivable, net

	Consolidated		Company	
	30 June 2003 Baht'000	31 December 2002 Baht'000	30 June 2003 Baht'000	31 December 2002 Baht'000
Trade accounts receivable				
- Third parties	397,653	343,388	395,778	343,388
- Related parties (Note 13c)	56,933	77,898	60,092	77,898
Accrued income - Related parties (Note 13c)	-	500	-	500
Total trade accounts receivable	454,586	421,786	455,870	421,786
<u>Less</u> provision for doubtful accounts	<u>(45,336)</u>	<u>(38,291)</u>	<u>(45,336)</u>	<u>(38,291)</u>
Trade accounts receivable, net	<u>409,250</u>	<u>383,495</u>	<u>410,534</u>	<u>383,495</u>

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (continued)
For the interim period ended 30 June 2003 and 2002

6 Trade accounts receivable, net (continued)

Outstanding trade accounts receivable - third parties can be analysed as follows:

	Consolidated		Company	
	30 June 2003 Baht'000	31 December 2002 Baht'000	30 June 2003 Baht'000	31 December 2002 Baht'000
Current - 3 months	346,875	294,773	345,000	294,773
3 - 6 months	18,795	13,823	18,795	13,823
6 - 12 months	12,509	15,122	12,509	15,122
Over 12 months	19,474	19,670	19,474	19,670
Total	397,653	343,388	395,778	343,388
<u>Less</u> provision for doubtful accounts	(45,336)	(38,291)	(45,336)	(38,291)
Trade accounts receivable, net	<u>352,317</u>	<u>305,097</u>	<u>350,442</u>	<u>305,097</u>

7 Programming rights and production costs, net

	Consolidated Baht'000	Company Baht'000
For the six-month period ended 30 June 2003		
Opening net book amount	87,364	87,364
Additions	241,368	241,368
<u>Less</u> Amortisation	(234,410)	(234,410)
Allowance for impairment	(2,055)	(2,055)
Closing net book amount	<u>92,267</u>	<u>92,267</u>

8 Investment in a subsidiary

a) Movements in investment in a subsidiary for the six-month period ended 30 June 2003 comprise:

	Company Baht'000
Opening net book value	984
Purchase investment	19,000
Share of the result from investment in a subsidiary	(3,489)
Closing net book value	<u>16,495</u>

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (continued)
For the interim period ended 30 June 2003 and 2002

8 Investment in a subsidiary (continued)

b) Carrying value of investment in a subsidiary

	Company – 30 June 2003 (Baht'000)				
	Paid-up capital	Investment portion	Cost	Share of net results of investment	Equity
Artware Media Company Limited	20,000	99.99	20,000	(3,505)	16,495

	Company – 31 December 2002 (Baht'000)				
	Paid-up capital	Investment portion	Cost	Share of net results of investment	Equity
Artware Media Company Limited	1,000	99.93	1,000	(16)	984

The Company has invested in additional registered share capital in Artware Media Company Limited at the full amount of Baht 19 million in February 2003.

9 Capital expenditure

	Consolidated		Company	
	Equipment Baht'000	Concession Assets Baht'000	Equipment Baht'000	Concession assets Baht'000
For the six-month period ended 30 June 2003				
Opening net book amount	10,119	2,410,310	10,119	2,410,310
Additions	145,280	72,541	94,608	72,541
Depreciation/Amortisation charge	(11,517)	(113,867)	(7,550)	(113,867)
Closing net book amount	<u>143,882</u>	<u>2,368,984</u>	<u>97,177</u>	<u>2,368,984</u>
As at 30 June 2003				
Cost	156,518	3,444,047	105,846	3,444,047
<u>Less</u> Accumulated depreciation/Amortization	<u>(12,636)</u>	<u>(1,075,063)</u>	<u>(8,669)</u>	<u>(1,075,063)</u>
Net book amount	<u>143,882</u>	<u>2,368,984</u>	<u>97,177</u>	<u>2,368,984</u>

ITV Public Company Limited
Unaudited condensed notes to the interim consolidated and company financial statements (continued)
For the interim period ended 30 June 2003 and 2002

10 Borrowing

	Consolidated		Company	
	30 June 2003 Baht'000	31 December 2002 Baht'000	30 June 2003 Baht'000	31 December 2002 Baht'000
Short-term borrowings				
Bank overdrafts	-	6,993	-	6,993
Current portion of long-term loan from bank	67,719	33,843	67,719	33,843
Total	67,719	40,836	67,719	40,836
Long-term borrowings				
Long-term loan from bank	774,019	793,786	774,019	793,786
<u>Less</u> Deferred front end fee	(8,003)	(8,730)	(8,003)	(8,730)
Total	766,016	785,056	766,016	785,056
Total borrowings	833,735	825,892	833,735	825,892

The movements in the borrowings can be analysed as follows:

	Consolidated Baht'000	Company Baht'000
For the six-month period ended 30 June 2003		
Opening net book amount	825,892	825,892
Borrowings	14,109	14,109
Repayments	(6,993)	(6,993)
Amortisation of front end fee	727	727
Closing net book amount	833,735	833,735

11 Trade accounts payable

	Consolidated		Company	
	30 June 2003 Baht'000	31 December 2002 Baht'000	30 June 2003 Baht'000	31 December 2002 Baht'000
Trade accounts payable				
- Third parties	48,720	67,680	47,849	67,612
- Related parties (Note 13c)	14,521	11,458	14,487	11,458
Total trade accounts payable	63,241	79,138	62,336	79,070

12 Share capital and deficiency in share capital

	Number of registered share capital Thousand shares	Issue and paid-up shares Thousand shares	Ordinary shares Baht'000	Deficiency in share capital Baht'000	Total Baht'000
For the six - month period ended 30 June 2003					
Opening balance	1,200,000	1,150,000	5,750,000	(176,842)	5,573,158
Issue of shares	60,000	-	-	-	-
Closing balance	<u>1,260,000</u>	<u>1,150,000</u>	<u>5,750,000</u>	<u>(176,842)</u>	<u>5,573,158</u>

As at 30 June 2003, the total authorised number of ordinary shares was 1,260 million shares (31 December 2002 : 1,200 million shares) with a par value of Baht 5 per share (31 December 2002 : Baht 5 per share) . The outstanding warrants issued as at 30 June 2003 were 66.769 million units (31 December 2002 : 50 million units).

On 28 April 2003, an Ordinary General Meeting of Shareholders approved an increase of authorised share capital 60 million ordinary shares with a par value of Baht 5 per share, and are to be reserved for the exercise of rights pursuant to the warrants under an Employee Shares Option Program (“ESOP”). The Company registered the increase of share capital with the Ministry of Commerce on 28 May 2003.

Warrants

a) Warrants issued and offered to the public

Warrants, 50 million units, were offered free of charge to shareholder who held ordinary shares on 31 December 1999. One warrant entitles the holder to subscribe to one ordinary share at 80% of the price of the ordinary share issued to third parties. The warrant, however, can purchase the ordinary share at not less than par value (Baht 5 per share) within 5 years from the date the Company sold its shares to the public, and they are exercisable on the last working day of March and September, commencing 30 September 2002. As of 31 March 2003, no warrant has been exercised.

b) Warrants issued and offered to directors and employees (“ESOP”)

On 26 February 2003, the Board of Directors Meeting approved the issuance and offer of warrants to directors, employees and advisors of the Company under an Employee Shares Option Program (“ESOP”). The total number of warrants to be issued and offered during the 5 year period is 57.5 million units and 60 million ordinary shares (at par value of Baht 5 each), or approximately 5% of total paid-up capital (before dilution), and are to be reserved for the exercise of rights pursuant to the warrants. Each annual issuance and offer is subject to approval by the Shareholders Meeting.

On 28 April 2003, an Ordinary General Meeting of Shareholders approved the issuance and offering of 16.769 million warrants equivalent to 1.46% of the Company’s total paid-up share capital (before dilution) to directors, employees and advisors whose are eligible for such allocation. The warrants are in registered form and non-transferable. The term of the warrant is not exceeding 5 years and there is no offering price. The first exercise date is 30 May 2004 and the last exercise date is 29 May 2008. The Security and Exchange Commission of Thailand approved this offer on 21 May 2003.

12 Share capital and deficiency in share capital (continued)

b) Warrants issued and offered to directors and employees (“ESOP”) (continued)

Warrants were granted to directors and employees on 30 May 2003 at Baht nil per unit. The exercise price is set at Baht 5.38 per unit, which is the weighted average closing price of the Company’s shares traded on the Stock Exchange of Thailand during the period of 30 days prior to the day of Shareholders’ Meeting.

Movements in the number of warrants outstanding are as follows:

	For the period ended 30 June 2003		
	Directors	Employees	Total
	Unit	Unit	Unit
	Thousand	Thousand	Thousand
At beginning of period	-	-	-
Granted	6,856	9,913	16,769
Exercised	-	-	-
At end of period	<u>6,856</u>	<u>9,913</u>	<u>16,769</u>

13 Related party transactions

The company is controlled by Shin Corporation Public Co., Ltd. (“Shin”) incorporated in Thailand which owns 55.53 % of the Company’s shares. The remaining 45.47% of the shares are widely held.

Transactions related to companies within the Shin Group such as subsidiaries, associates, management and related parties including transactions related to companies of which Shinawatra family members are the principal shareholders or directors are recognized as related party transactions to the Company.

During the period, the Company has entered into a number of transactions with its parent company and related companies, the terms of which are negotiated on an arm’s length basis in the ordinary course of business and according to normal trade conditions.

Consulting and management service fees are charged by its parent company on a mutually agreed basis as a percentage of assets, but not less than the agreed amount. Treasury fees which are included in consulting and management service fees are charged on a percentage of the transaction amount.

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Unaudited condensed notes to the interim consolidated and company financial statements (continued)
For the interim period ended 30 June 2003 and 2002

13 Related party transactions (continued)

The following transactions were carried out with related parties:

a) Sales of goods and services

For the three-month period ended	Consolidated	Company	
	30 June	30 June	30 June
	2003	2003	2002
	Baht'000	Baht'000	Baht'000
Advertising income			
Parent company - Shin	1,000	1,000	757
Subsidiary	-	2,952	-
Other related parties – Shin Group	45,106	45,106	51,060
	<u>46,106</u>	<u>49,058</u>	<u>51,817</u>
Other income			
Parent company - Shin	6,474	6,474	-
Subsidiary – Interest income	-	403	-
	<u>6,474</u>	<u>6,877</u>	<u>-</u>
Total sales of goods and services	<u>52,580</u>	<u>55,935</u>	<u>51,817</u>

For the six-month period ended	Consolidated	Company	
	30 June	30 June	30 June
	2003	2003	2002
	Baht'000	Baht'000	Baht'000
Advertising income			
Parent company - Shin	1,000	1,000	757
Subsidiary	-	2,952	-
Other related parties – Shin Group	84,383	84,383	99,566
	<u>85,383</u>	<u>88,335</u>	<u>100,323</u>
Other income			
Parent company - Shin	6,474	6,474	-
Subsidiary – Interest income	-	593	-
	<u>6,474</u>	<u>7,067</u>	<u>-</u>
Total sales of goods and services	<u>91,857</u>	<u>95,402</u>	<u>100,323</u>

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13 Related party transactions (continued)

b) Purchases of goods and services

	Consolidated	Company	
	30 June 2003 Baht'000	30 June 2003 Baht'000	30 June 2002 Baht'000
For the three-month period ended			
Parent company - Shin			
Consulting and management fee	3,307	3,307	5,008
Other expenses	1,014	1,014	-
	<u>4,321</u>	<u>4,321</u>	<u>5,008</u>
Other related party - Shin group			
Expenses			
Building rental and service charge	17,440	17,094	-
Transponder rental	9,783	9,783	9,783
Selling expenses	1,252	1,252	11,194
Advertising expenses	9,171	9,171	-
Program production cost	3,732	3,732	-
Telephone expenses	3,984	3,984	-
Other expenses	706	702	1,542
Shareholders' equity			
Share issued cost	-	-	5,060
	<u>46,068</u>	<u>45,718</u>	<u>27,579</u>
Subsidiary			
Selling expense	-	148	-
	<u>-</u>	<u>148</u>	<u>-</u>
Total purchases of goods and services	<u>50,389</u>	<u>50,187</u>	<u>32,587</u>

ITV Public Company Limited
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13 Related party transactions (continued)

b) Purchases of goods and services (continued)

For the six-month period ended	Consolidated		Company	
	30 June		30 June	30 June
	2003		2003	2002
	Baht'000		Baht'000	Baht'000
Parent company - Shin				
Consulting and management fee	6,679		6,679	10,130
Other expenses	1,104		1,104	366
	7,783		7,783	10,496
Other related party- Shin group				
Expenses				
Building rental and service charge	27,664		27,273	-
Transponder rental	19,566		19,566	19,566
Selling expenses	2,383		2,383	16,643
Advertising expenses	10,888		10,888	-
Program production cost	7,606		7,606	-
Telephone expenses	6,456		6,456	-
Other expenses	2,192		2,188	2,542
Purchases of assets	4,435		4,435	-
Shareholders' equity				
Share issued cost	-		-	5,060
	81,190		80,795	43,811
Subsidiary				
Selling expense	-		148	-
	-		148	-
Total purchases of goods and services	88,973		88,726	54,307

c) Outstanding balances arising from sales/purchases of goods/services

	Consolidated		Company	
	30 June	31 December	30 June	31 December
	2003	2002	2003	2002
	Baht'000	Baht'000	Baht'000	Baht'000
Receivables from related parties :				
Parent company - Shin	6,927	416	6,927	416
Subsidiary	-	-	3,159	-
Other related parties - Shin group	50,006	77,482	50,006	77,482
Total receivables from related parties	56,933	77,898	60,092	77,898
Accrued income from related parties :				
Other related parties - Shin group	-	500	-	500
Total accrued income from related parties	-	500	-	500
Payables to related parties :				
Parent company - Shin	105	-	-	-
Other related parties - Shin group	14,521	11,458	14,487	11,458
Total payable to related parties	14,626	11,458	14,487	11,458

13 Related party transactions (continued)

d) Advance and loan to related parties

	Consolidated		Company	
	30 June 2003 Baht'000	31 December 2002 Baht'000	30 June 2003 Baht'000	31 December 2002 Baht'000
Advance to related parties :				
Subsidiary	-	-	-	1
Other related parties – Shin Group	-	1,399	-	1,399
Total advance to related parties	-	1,399	-	1,400
Loan to related parties :				
Subsidiary	-	-	36,000	1,000
Total loan to related parties	-	-	36,000	1,000
Total advance and loan to related parties	-	1,399	36,000	2,400

Loan to subsidiary amounting to Baht 36 million bears interest at MLR+1% per annum. The term of repayment is at call.

e) Other current assets

	Consolidated		Company	
	30 June 2003 Baht'000	31 December 2002 Baht'000	30 June 2003 Baht'000	31 December 2002 Baht'000
Prepaid Expense				
Other related parties – Shin Group	3,330	-	3,274	-
Interest Receivable				
Subsidiary	-	-	151	-
Total other current assets	3,330	-	3,425	-

f) Other assets

	Consolidated		Company	
	30 June 2003 Baht'000	31 December 2002 Baht'000	30 June 2003 Baht'000	31 December 2002 Baht'000
Deposit				
Other related parties – Shin Group	9,412	7,388	9,412	7,388
Leasehold right				
Other related parties – Shin Group	3,913	5,000	3,913	5,000
Total other assets	13,325	12,388	13,325	12,388

13 Related party transactions (continued)

g) Accrued expenses to related parties

	Consolidated		Company	
	30 June 2003 Baht'000	31 December 2002 Baht'000	30 June 2003 Baht'000	31 December 2002 Baht'000
Accrued expenses to related parties:				
Parent company – Shin	908	1,201	908	1,201
Other related parties – Shin Group	7,904	5,832	7,904	5,832
Total accrued expenses to related parties	8,812	7,033	8,812	7,033

h) Warrants issued and offered to directors (Note 12)

Shin Corporation Public Company Limited, a major shareholder, granted its warrants to directors of the Company according to the Employee Stock Option Plan (ESOP) Grant 1 on 27 March 2002 and Grant 2 on 30 May 2003 in units of 19,462,100 and 11,528,200 respectively at Baht nil per unit. The warrants are in registered form and non-transferable. The term of warrant does not exceed 5 years and there is no offering price. The exercise price of ESOP Grant 1 is set at Baht 17.80 per unit, which is Shin's closing share price as of 26 March 2002. And the exercise price of ESOP Grant 2 is set at Baht 13.67 per unit, which is the weighted average closing price of Shin's shares traded on the Stock Exchange of Thailand during the period of 30 days prior to the day of Shareholders' Meeting.

14 Contingencies

The bank guarantees given by the Company to third parties are as follows:

	Consolidated		Company	
	30 June 2003 Million Baht	31 December 2002 Million Baht	30 June 2003 Million Baht	31 December 2002 Million Baht
Bank guarantees for operating performance under the concession agreements	25	25	25	25
Bank guarantees in respect of the normal course of business	39	38	39	38

The Company is a defendant in various legal actions. In the opinion of the directors, after taking appropriate legal advice, the outcome of such actions is not expected to give rise to any significant loss and no provisions or accruals in respect of such legal actions has been raised in these financial statements.

15 Post balance sheet event

On 31 July 2003, the Executive Committee Meeting approved the Company to set the last exercise date of 50 million units of warrants issued and offered to the public (Note 12 a) as the weighted average price of the Company's shares traded on the Stock Exchange of Thailand during the period of 30 working days consecutively (17 June 2003 to 30 July 2003) was 20 percent higher than the initial public offering share price, or Baht 6 per share. This complied with the condition of exercising the warrants before their maturity date. The Company shall inform warrant holders about exercising their warrant rights during 8 – 29 August 2003. In case of warrant holders not exercising their rights within the specified date, their rights shall be terminated.

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INTERIM FINANCIAL STATEMENTS (UNAUDITED)

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